

STATEMENT OF THE HONORABLE DAVID DREIER
Before the House Ways and Means Subcommittee on Social Security
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It is imperative that we improve the security of Social Security cards to safeguard against identity theft, protect the integrity of the Social Security program and enhance our employment verification system. My bill, H.R. 98, the Illegal Immigration Enforcement and Social Security Protection Act, provides a strong foundation on which to build upon.

The Social Security number (SSN), first issued in 1936, was originally intended to only keep track of individual contributions to the Social Security program. Yet, over time, the SSN has become a ubiquitous identifier for government purposes. For example, individuals must furnish SSNs to be eligible for a variety of federal programs, such as federal student loans and welfare assistance.

The SSN is also frequently used to verify identity in the private sector. Call your phone company to check your bill, and you will be asked for the last four digits of your SSN. Apply for life insurance, and the application may ask for your SSN. Shop for a new car and the dealership will probably check your credit rating with a credit agency which has your SSN.

As we also know, the SSN card is one of 26 documents listed on the I-9 Employment Eligibility Verification Form, which individuals can use in 102 different combinations to prove their authorization to legally work in the country. The ease with which individuals can submit false or stolen SSNs undermines the employment verification system, forces employers to be de facto identity document experts and plays right into the hands of those who commit identity theft.

The 1996 Illegal Immigration Reform and Immigrant Responsibility Act sought to improve the reliability of the employment verification system by creating the Basic Pilot Program, now known as E-Verify, which allows employers, on a voluntary basis, to use an online system to verify the work authorization status of new employees by checking the validity of SSNs with the Social Security Administration. The implementation of this program has been a step in the right direction. However, several studies have found that the E-Verify program is unable to detect identity fraud, allowing those with valid, but stolen documents, to secure employment.

For example, a December 2010 Government Accountability Office report stated that an Immigration and Customs Enforcement (ICE) investigation in December, 2006 found that "...approximately 1,340 employees – all of whom ICE believes were processed through E-Verify – were not authorized to work in the United States. Of the 1,340 unauthorized workers, 274 were charged with identity theft, including the use of valid Social Security numbers belonging to others to get jobs.”

H.R. 98 builds on E-Verify’s successes by creating a secure, tamper-proof Social Security card, which employers can use to electronically verify the work authorization status of prospective employees. The new card includes a digitized photo of the cardholder, as well as an encrypted electronic signature strip, allowing employers to instantaneously verify a prospective employee's work authorization status with the Department of Homeland Security’s Employment Eligibility Database, either through a toll-free number or an electronic card-reader.

A secure, counterfeit-proof Social Security card used in combination with an electronic employment verification system will enhance the integrity of SSNs and help to prevent identity fraud. This plan will also provide small business owners with an easy-to-use system to verify the work authorization status of new employees and allow them to focus on what they do best: run their businesses. I look forward to continuing our work together on this important issue.